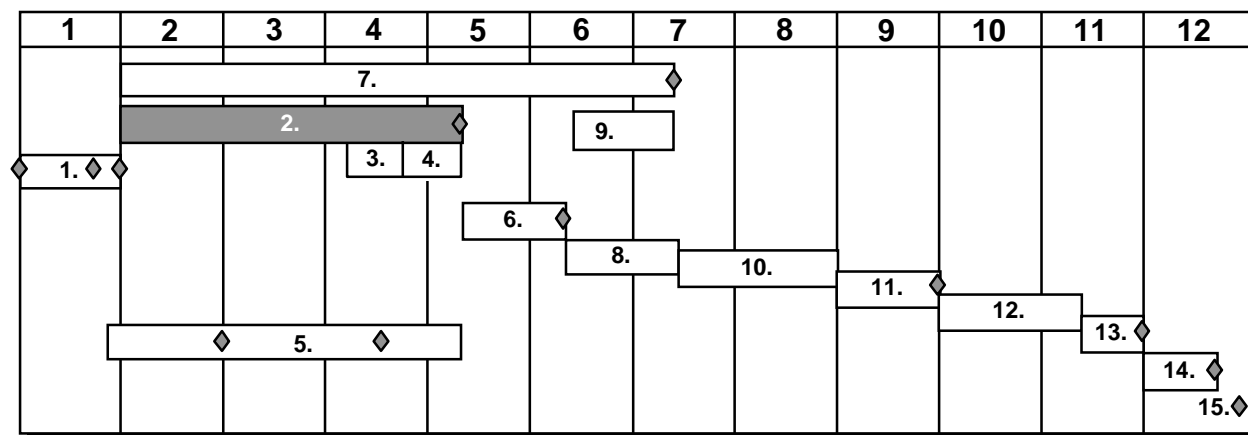


## STEP 2: DEVELOP PWS AND QASP

### 2.1 OVERVIEW



◆ Major Milestone Event

The purpose of Step 2 is to develop the Performance Work Statement (PWS) and the Quality Assurance Surveillance Plan (QASP). The PWS is a description of the work to be performed, performance standards and timeframes. It is the basis for the technical performance section of the solicitation (issued in Step 6). Contractor proposals (submitted in Step 8) and the government in-house organization's technical performance plan (Step 7) are based on performing the work described in the PWS.

The PWS should be developed so that it can be performed by either a contractor or the government in-house organization, depending on the results of the cost comparison. It should enable an "apples to apples" comparison of contractor and government proposals. A good quality PWS should not be overly prescriptive regarding how procedures are to be performed and should permit appropriate innovations to be used that can lead to increased efficiency and improved levels of quality. It should

focus on desired results or outputs and acceptable levels of performance.

A thorough understanding of the organization's mission and a clearly worded mission statement are essential in creating a performance-based PWS. Information provided by the private sector during presolicitation activities (Step 5) may be useful in developing performance measures used in the PWS and QASP. However, unlike commercial activities performed in the private sector, the PWS should account for an increase in workload (e.g., a surge capability) resulting from contingency operations that may arise as a part of the organization's mission. Additionally, identifying the risks involved with performing a particular function and developing appropriate risk mitigation strategies to be included in the PWS are important considerations for both the Commanding Officer and the CA team.

**CO Tip: The Performance Work Statement should focus on the performance measures of the function, not on the “how to” of performing the function.**

The Quality Assurance Surveillance Plan defines the process by which the government will evaluate the performance of the PWS regardless of whether the service provider is a contractor or the government. Although the QASP accompanies the PWS to the independent review officer (IRO) for a cost comparison, it need not be included as a part of the solicitation or provided to private sector offerors. In-house, contract and interservice support agreement (ISSA) offerors should develop their offers based upon the requirements of the PWS alone.

**CO Tip: Using appropriate industry standards and benchmarks can increase the quality of the PWS which can lead to improvements in the efficiency and quality of performance of the commercial activity.**

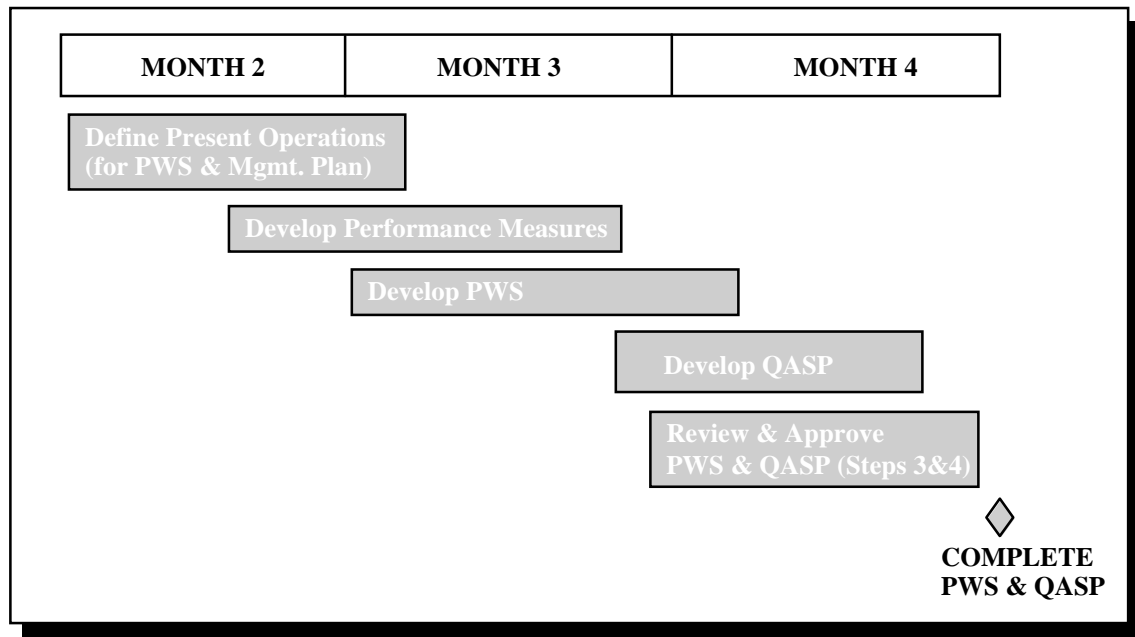
It is important to note that there is a great deal of overlap between this step and Step 7 (Develop the Management Plan). Therefore, it is generally more efficient for the CA team to gather data for both steps concurrently.

Subsequently, the work can progress into two parallel tasks: the first being the development of the PWS and QASP; and the second being the development of the Management Plan (consisting of the Most Efficient Organization (MEO) document, In-House Cost Estimate (IHCE), Technical Performance Plan (TPP), and Transition Plan (TP)). Exhibit 7-1, Data Elements, in Step 7 provides a listing of the major data elements used in both steps.

The creation of the PWS and QASP in this step and the development of the Management Plan in Step 7 are the two most critical and labor-intensive steps in the A-76 study process. Starting this step as soon as the scope of the A-76 study is defined (in Step 1) will facilitate the timely completion of Step 2.

**CO Tip: Identifying and adapting existing PWS's that are of good quality, performance oriented and applicable to the activity under study may expedite the completion of Step 2 and lead to the development of a better quality PWS. The OSO can provide assistance in locating good quality PWSs.**

## 2.2 DESCRIPTION OF SPECIFIC TASKS



### 2.2.1 Define Present Operations

The development of the PWS begins with gathering data to define the present operation. Examples of data to be gathered at this stage include information on the following: the current organization, its mission, current problem areas in the function, workload, staffing, facilities, equipment, and customer base. This information is also used in developing the Management Plan (Step 7).

Sources of data include information management systems, cost accounting systems, current and projected workload, interviews, and past studies. If data is unavailable, the CA team may be required to estimate some information. Data may be extrapolated based on current records, and assumptions may be made in defining the workload data if they can be supported. It is essential that assumptions on which the estimates are based be fully documented.

Data definition entails determining the data requirements and assessing their availability. The data collection and analysis is essentially an iterative process. As the data is received, it is analyzed and new or additional data requirements may be identified. Future workload for the performance period is estimated, and the assumptions for these estimates is documented.

### 2.2.2 Develop Performance Measures

The development of effective performance measures can lead to a good quality, performance-based PWS. Industry information obtained during Step 5 (Presolicitation Actions) may be useful in developing performance standards, performance indicators, and quality levels. Best operating ideas and practices from industry or other activities may be used. Other historical data such as prior A-76 studies, productivity or performance improvement projects, business process reengineering projects, and business case

analyses may be useful in developing the PWS and QASP.

Following are examples of four different measures of performance:

- A rate of productivity: “. . . it takes .3 hours of labor for one routine preventive maintenance task in the auto maintenance shop.”
- An availability index: “. . . auto maintenance and repair operations should result in availability of 82.5 percent of the fleet at all times.”
- Customer satisfaction ratings: “. . . operations are satisfactory when surveys show that at least X percent of customers are satisfied or highly satisfied with service.”
- Cost benchmarks: “. . . a routine preventive maintenance job should cost on average \$40.30, including labor, material, and overhead.”

It may be necessary to use more than one measure of performance or some combination of measures to ensure that the minimum requirements of the PWS will be met.

### **2.2.3 Developing the PWS**

Template 2.5.1 displays the outline of a PWS and shows how data that has been collected and analyzed supports the development of the PWS. Template 2.5.1 also provides a cross reference of templates for each section of the PWS.

When all the data has been gathered and analyzed, the CA team prepares the PWS. Template 2.5.6, Performance Work Statement Outline, provides a sample outline for preparing the PWS.

### **2.2.4 Develop Quality Assurance Surveillance Plan**

The QASP describes the procedures the government will use to ensure that the service provider—whether it is government—or a contractor—is meeting the minimum requirements of the PWS. The service provider is responsible for building quality into the process. The QASP includes the method of inspection the government will use, the reports required, and the government resources to be employed. When determining the appropriate level of quality surveillance the Commanding Officer must consider the level of risk acceptable given the relationship of the commercial activity to the organization’s mission. Template 2.5.7, Quality Assurance Surveillance Plan Outline, provides a sample outline for preparing this document.

### 2.2.5 Provide Continuing Feedback to Command and Major Claimant

The CA team should conduct periodic status meetings with the Commanding Officer to keep him or her apprised of the progress of the CA study. The Commanding Officer should ensure that the major claimant is kept apprised of the progress of the CA study.

## 2.3 ROLES AND RESPONSIBILITIES

### Key Players

- Commanding Officer

The Commanding Officer's careful monitoring of the schedule established during Step 1 will help ensure the timely completion of Step 2. The Commanding Officer provides the final approval for all products developed during this step. The performance of a CA study on an organization will likely create anxiety for the employees of the organization. The Commanding Officer should be mindful of this anxiety and address employees' concerns to the extent possible.

- Senior Management

Senior managers should remain informed about the progress of the CA study and be aware of the impact the study is having on their function. Senior managers should support the CA team's effort to the extent required.

- Functional Manager

Functional managers are responsible for providing information for the development of the PWS and for making personnel available for interviews with the CA team. Functional managers should ensure that data provided to the CA team presents a complete and accurate description of the function under study. Functional managers should support the CA team's effort to the extent required.

- CA Team Leader

The CA team leader is responsible for completion of the PWS and QASP. The CA team leader should provide periodic updates to the Commanding Officer and raise any issues that need immediate resolution. He or she should coordinate with all entities that are responsible for providing data, and analyze and format the data to develop the PWS and the QASP. The CA team leader may coordinate with peers who may be conducting similar studies elsewhere. The CA team leader, in support of the contracting officer, will prepare the independent government estimate (IGE) as part of Step 6. The IGE is procurement sensitive and should not be released to those without the need to know.

- Contracting Officer

The contracting officer ensures that the PWS developed in this step is contractible, and the QASP, when implemented, will assure satisfactory performance to the government. The contracting officer provides guidance on formatting the PWS so that it is compatible with the format of the solicitation issued in Step 6. The contracting officer advises the Commanding Officer and the CA team regarding the contracting process, the method of solicitation, and the type of contract to be used. Once the requirements begin to take shape, the contracting officer should begin to consider the appropriate contracting type to be used in the solicitation.

#### **Advisory Players**

- Comptroller

The comptroller makes available all necessary cost data to the CA team. The comptroller begins planning for the reallocation of funds that may be required based on the alternative outcomes resulting from the cost comparison.

- Human Resources Officer

The human resources officer provides the CA team with current job descriptions for all affected employees in the function under study. If needed, the HRO also obtains the wage rate determination from the Department of Labor for the positions included in the solicitation.

- Legal Counsel

Legal counsel provides assistance to the CA team and the Commanding Officer to ensure that the activities conducted in Step 2 are performed in accordance with the requirements of the A-76 process and all other applicable statutes, regulations and instructions.

- Union Representative(s)

The union(s) can contribute to the success of the CA study by helping to resolve work force issues. They may assist in educating affected employees about the commercial activities process, their rights to appeal, and their rights of first refusal of employment with a contractor if the result of the cost comparison is award of a contract. The union(s) may review the PWS and provide input to the CA team regarding work processes in support of the development of the Management Plan. Although unions cannot directly participate in the development of the Management Plan, their representatives may have ideas that will improve the government's competitive position during the competition with the private sector.

- Safety Officer

The safety officer should provide advice and support to the Commanding Officer and the CA team as required. For example, the safety officer should ensure that applicable safety regulations and directives are considered by the CA team when developing the PWS.

- Security Officer

The security officer should provide advice and support to the Commanding Officer and the CA team as required. For example, the security officer should ensure that appropriate security clearance requirements are included in the solicitation.

- Environmental Officer

The environmental officer should provide advice and support to the Commanding Officer and the CA team as required. For example, the environmental officer may ensure that appropriate environmental regulations are considered by the CA team in developing the PWS.

- Customer/Consumer

Customers or consumers of the services provided by the function under study should provide input concerning their requirements.

- Outsourcing Support Office

The Outsourcing Support Office is available to support the Commanding Officer throughout the entire process.

## 2.4 CHECKLISTS FOR KEY PLAYERS

- **Commanding Officer**

1. Meet with CA team leader to periodically review progress
2. Communicate study progress periodically with command sponsor (higher level review)
3. Meet with senior management and affected members to share information and gain support
4. Facilitate/expedite data gathering process and ensure cooperation
5. Review draft documents/provide comments and corrections.

- **Senior Management**

1. Meet with CA team to determine data requirements
2. Meet with staff to provide information about what is happening, seek their commitment, support and access
3. Assign personnel to support CA team (as required)
4. Provide input to modify the existing business unit definition and communicate changes to CA team (as required)
5. Review/comment on documents developed during Step 2 (as required)

- **Functional Manager**

1. Meet with CA team to determine data requirements
2. Meet with staff to provide information about what is happening,



- seek their commitment, support, and access
- 3. Assign personnel to support CA team
- 4. Work with CA team to identify consumers/customers
- 5. Provide input to modify the existing business unit definition and communicate changes to CA team (as required)
- 6. Review/comment on documents developed during Step 2.

- **Contracting Officer**

- 1. Meet with CA team leader to review the PWS and QASP
- 2. Interact with CA team to develop the contract strategy
- 3. Review draft documents/provide comments and corrections
- 4. Provide guidance regarding PWS format
- 5. Review documents to ensure contractability.

- **CA Team Leader**

- 1. Meet with Commanding Officer to provide progress reports
- 2. Meet with functional manager to determine functional data requirements
- 3. Work with functional manager to identify customers/consumers
- 4. Coordinate and conduct customer/consumer surveys to determine requirements
- 5. Define data requirements
- 6. Coordinate appropriate data collection and analysis between Steps 2 and 7
  - Current workload and performance
  - Estimated workload and performance for contract period

- 7. Analyze data and identify performance requirements
- 8. Prepare PWS
- 9. Prepare QASP
- 10. Develop contract strategy and review with contracting officer.

## **2.5 TEMPLATES**

This subsection provides templates that may assist the CA team in completing Step 2. The primary focus of these templates is to collect and format data needed to prepare the PWS and the QASP. These templates are intended for illustrative purposes and may be adapted as appropriate.

The templates are as follows:

- 2.5.1 Incorporating Data in the PWS
- 2.5.2 Interview Guide
- 2.5.3 Current Organizational Analysis
- 2.5.4 Functional Diagram
- 2.5.5 Performance Measures
- 2.5.6 Performance Work Statement Outline
- 2.5.7 Quality Assurance Surveillance Plan Outline

Template 2.5.1 provides a diagram that cross-references the templates to the final PWS. An example of an interview guide is provided in Template 2.5.2. The CA team can use the interview guide and other templates to collect and analyze the data that will be used to develop the PWS.

The majority of the analysis in this step is focused on the data contained in templates 2.5.3, 2.5.4, and 2.5.5, and on the historical workload data provided as government furnished information. The results of this analysis will support the development of specific performance standards and



acceptable quality levels that will be included in the PWS and the QASP.

Government furnished equipment, supplies and facilities lists, document any items or services that the government intends to furnish to the contractor, if the result of the cost comparison is a contract award.

The remaining templates provide sample outlines of the PWS and QASP

### 2.5.1 Incorporating Data in the PWS

This template displays an outline of a PWS and shows how the data collected and analyzed fits into the development of the PWS. This template also cross-references the appropriate templates for each section of the PWS.

#### Template 2.5.1: Performance Work Statement and Data Collection Cross Reference

PWS Section	Input from Data Collection	Template
Purpose	Interview Guide, Current Organizational Analysis (Mission Statement)	2.5.2, 2.5.3
Scope of Work	Interview Guide Functional Diagram Historical Workload Data	2.5.2, 2.5.3, 2.5.4 and Government Furnished Information
Performance Measures	Performance Measures	2.5.5
Service Provider Quality Control	Interview Guide Performance Measures	2.5.2, 2.5.5
Service Provider Performance Incentives and Disincentives	Performance Measures	2.5.5

### 2.5.2 Interview Guide - Components for Success

#### Preparation

Before developing questions define the purpose and objectives of the interview; determine whether the interview should be conducted by one person or a team; contact the interviewee to arrange the meeting place and time; inform the interviewee of the purpose and format of the interview; and obtain background information on the interviewee, the task and his or her organization.

Preparation also entails creating an interview guide. List questions in the order you will ask them. Move from general to specific questions, including both open questions (e.g., Describe . . ., Tell me . . ., How . . .)

and closed questions to obtain specific information (e.g., Who? How much? Where?).

#### Conducting the Interview

An interview should have three parts; an opening, the body of the interview, and the close. The opening is an opportunity to clarify the purpose of the interview, time frames under consideration and key objectives. The interviewer should then transition to the body of the interview by leading into the first question. Use probing questions to follow up on responses when necessary (e.g., Tell me more...). Interviewees should speak about 80 percent of the time and interviewers about 20 percent. Listen actively by paraphrasing and using body language. Take accurate notes

and before moving to close the interview ask “catch-all” questions (e.g., Have we covered all the issues? Is there anything else I need to know?). To close the interview, briefly summarize your findings and link them to your purpose. Answer any questions and determine and agree on next steps. Set up any follow on meetings, if necessary, and thank the interviewee for taking the time to meet with you.

### **Follow Through**

Immediately after the interview, fill in your notes; be sure to jot down your impressions and important ideas. Review any documentation you received during the interview and follow up on leads provided by the interviewee. Data collection is an important area to be accomplished by individuals trained to be aware of the goals

of the command and sensitive to the fears of employees.

The interview guide template presents sample questions that can be used to gather data for the development of Step 2 and Step 7. In Step 2, the focus of the questions is on collecting workload information and acceptable quality levels. In Step 7, the focus of the questions is on how the work is being performed and how the work process could be improved to develop the Management Plan.

The questions will vary depending on the level of authority and position of the individual within the organization and the function under study. When developing questions, review templates 2.5.3 through 2.5.7 to identify the kind of information you need to develop the interview guide.

**Template 2.5.2 Interview Guide Template**

Name of Interviewer	Date
Name of Interviewee	
Interviewee Organization	
Job Classification	
How long have you been in this position?	
Who is your immediate supervisor?	
Do you supervise any employees? If so, how many?	
How is the department / function / activity organized? Sub-elements?	
Describe the informal organization—"how things really work."	
What are the functions in your shop / area / division?	
What are the critical tasks you perform?	
What products do you produce or services do you provide?	
Who are your customers?	
What is your organization's mission?	
How do you know if you have succeeded or failed in your mission?	
What performance indicators show this?	
What are the consequences of mission success or failure?	
What are the acceptable quality levels of performance?	
What does your organization do well? In what areas is there room for improvement?	
What aspects of your organization should be changed?	
Are there any unnecessary tasks that could be eliminated?	
With whom do you interface at the facility? With outside vendors?	
How do you handle surges in workload? Can you plan for them (e.g., are they seasonal)?	
How do you account for hours worked?	
How do you account for reimbursables?	
How do you determine production schedule?	
How do you find out about changes to requirements?	
How do you respond to those changes?	

**2.5.3 Current Organizational Analysis**

The information typically analyzed in this task includes the current name and mission of the organization and its current formal and informal structures, as well as the type and quantity of services provided. Template 2.5.3 presents a general format for collecting organizational information. Information for this template is generated from initial

interviews with the director or other high level officials of the function or activity under study. The organizational analysis may change as more data is collected. Revisit this template when the performance measures (Template 2.5.5) have been completed.

### Template 2.5.3 Current Organizational Analysis

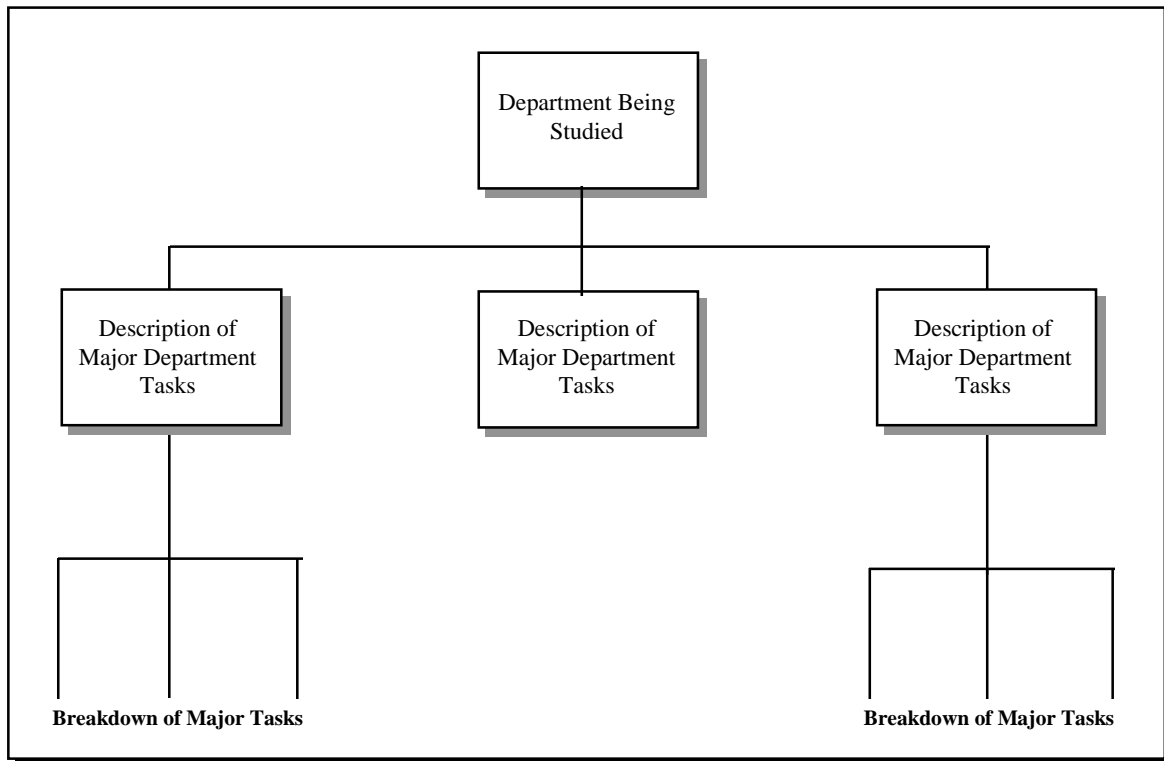
<b>Name of Organization</b>	<i>Name of the organization under study</i>
<b>Mission Statement</b>	<i>Brief description of the mission statement</i>
<b>Organizational Elements:</b>	<i>Describe the elements of the organization under review</i>
<b>Services Performed</b>	<i>Description of the services provided by the function under review</i>
• <b>Normal</b>	
• <b>Contingent</b>	

### 2.5.4 Functional Diagram

This sample functional diagram details the functions and subfunctions performed by the organization under review. The diagram

breaks down each work element into its logical components. The functional diagram is not an organization chart, but rather it defines the functions of the organization.

### Template 2.5.4 Sample Functional Diagram



### 2.5.5 Performance Measures

Identifying performance measures is a key component in developing performance oriented standards for the PWS. It is also

crucial to the development of acceptable quality levels that will be included in the QASP. This template provides an illustration of the current performance measures and the future performance

measures. In developing performance measures, the CA team should consider available benchmarks, mission requirements,

industry performance measures, and the cost and benefit tradeoffs of the performance measures.

### Template 2.5.5 Sample Current Performance Measures

Performance Indicator	Standard	Acceptable Level of Quality
Vehicle Availability	82.5 percent availability at all times	82.5 percent is the minimum acceptable level of quality

### Sample Future Performance Measures

Performance Indicator	Standard	Acceptable Level of Quality
Vehicle Availability	82.5 percent availability at all times	82.5 percent is the minimum acceptable level of quality
Customer Satisfaction	At or above baseline of customers completely or mostly satisfied with service	+/- 5 percent
Vehicle Condition	Normal fair wear and tear expected on vehicles	95 percent of the fleet shall be maintained to this standard

### 2.5.6 Performance Work Statement Outline

A PWS provides general information on the scope of work, where contracting products/services will be provided or located, and the contracting performance period. The bulk of the PWS provides a more detailed description of specific service provider responsibilities and of the commercial activity, and includes a list of technical attachments detailing the government furnished equipment, materials, and supplies. The PWS outlined below illustrates the type of information that might be provided in the technical requirements section of a solicitation

### Template 2.5.6 Performance Work Statement Outline

<p><b>Performance Work Statement</b></p> <p><b>I. Purpose</b></p> <p><b>II. Scope of Work</b></p> <p>    <b>A. Management</b></p> <p>    <b>B. Work to Be Performed</b></p> <p><b>III. Reporting Requirements</b></p> <p><b>IV. Performance Measures</b></p> <p><b>V. Quality Control</b></p> <p><b>Attachment 1: Government Furnished Equipment</b></p> <p><b>Attachment 2: Government Furnished Material</b></p> <p><b>Attachment 3: Government Furnished Facilities</b></p> <p><b>Attachment 4: Government Furnished Information</b></p>
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### 2.5.7 Quality Assurance Surveillance Plan (QASP) Outline

The QASP describes the government's plan for monitoring the service provider's performance. The plan should not be prescriptive, but rather it should highlight the key measures of performance. Regardless of whether the service provider is

the government or a contractor, the QASP applies to both. The service provider is responsible for developing and implementing a viable quality control process, while the government assures quality in the service or products received.

### Template 2.5.7 Quality Assurance Surveillance Plan (QASP) Outline

<p><b>Quality Assurance Surveillance Plan</b></p> <p><b>I. Purpose</b></p> <p><b>II. Methods</b></p> <p><b>III. Assurance of Performance Measures</b></p>
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<p style="text-align: center;"><b>Simulated Performance Work Statement and Quality Assurance Surveillance Plan</b> <i>(provided for illustrative purposes only)</i></p>
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## PERFORMANCE WORK STATEMENT

### I. PURPOSE

The purpose of this Performance Work Statement is to describe the performance requirements for Transportation Maintenance and Repair at Naval Support Activity, Cattle Crossing, Utah. This document supports the process described in OMB Circular No. A-76 (Revised), dated August 4, 1983, and A-76, *Supplemental Handbook, Performance of Commercial Activities*, dated March 1996. The purpose of the A-76 process is to compare commercial activities performed by the public and private sectors to determine the best value for services performed. Responses to this solicitation will be subject to the A-76 cost comparison process.

### II. SCOPE OF WORK

This work involves providing the managerial, administrative, supervisory, direct, and overhead personnel to accomplish all the maintenance and repair functions. These services will be provided for 1,424 (see Attachment 1) vehicles assigned to the NSA Cattle Crossing, Utah, and transient equipment within a 125-mile radius of the facility. The service provider shall provide equipment, repair parts, materials, supplies, tools, and associated support needed except as specified herein as government furnished, to perform the full transportation maintenance and repair function.

The baseline vehicle inventory and workload estimates are not projected to change by more than 10 percent over the course of this performance period.

#### A. Management

The service provider shall manage the total work effort associated with vehicle maintenance and repair, and all other services required herein to ensure fully adequate and timely completion of these services. Included in this function are a full range of management duties including, but not limited to, planning, scheduling, report preparation, establishing and maintaining records, warranty enforcement, resolution of customer complaints, and quality control. The service provider shall provide an adequate staff of personnel with the necessary management expertise to ensure the performance of the work in accordance with sound and efficient management practices.

#### B. Work to Be Performed

*Scheduled Maintenance*



Vehicles shall be maintained in accordance with manufacturer's recommended maintenance schedules.

*Body and Accident Repair*

Accidents and other damages to fleet vehicles may occur during the course of normal operations. The service provider shall perform full-service body repairs and painting which is reimbursable by the using department.

*Minor/Major Repairs*

The service provider shall perform minor and major repairs as required. Minor repairs are those repairs with a dollar value less than \$1000 for parts and labor. Major repairs are those repairs with a dollar value greater than \$1000 for parts and labor.

*Field Service/Breakdown Service*

The service provider shall provide call-in road service and towing service in support of transient equipment and the equipment listed in Attachment 1 within a 100-mile radius of the activity. Data on the number of service calls historically received, both during and after normal working hours, is provided in Attachment 2. Service calls shall be responded to 24 hours per day, 365 days per year. Wrecker service will be provided for calls within a 25 mile radius within 1 hour of receipt of request. Each additional increase in this distance of 25 miles increases the allowable response time by 30 minutes.

*Weight Testing of Cranes*

Inspection, testing, certification, and load testing shall be performed in accordance with the manufacturer's regulations and manuals for all equipment in this contract. Equipment shall be inspected, load tested, and certified at least once annually to certify that the overall structural, mechanical, and electrical components of the equipment have been maintained in a safe, serviceable condition and are functioning properly.

*Special Equipment Installation*

Service provider shall perform initial installation of radios in all sedans, and custom fit police vehicles with lights, sirens, radios, and other special equipment.

*Transient Equipment Repairs*

The service provider shall provide reimbursable repair services for several small commands and Navy recruiters within a 125-mile radius. Services include scheduled maintenance and repairs, and breakdown service.

### **III. REPORTING REQUIREMENTS**

(Note: For purposes of this example, it is assumed that a waiver has been obtained for the requirement that the Base Engineering Support Technical (BEST) system be used. It is also assumed that each offeror will propose its own automated vehicle

maintenance management system.)

The service provider shall maintain/compile information regarding vehicle maintenance and repair history, monthly workload, vehicle availability and maintenance, and repair schedules. The service provider shall notify the command of vehicles that are due in for scheduled maintenance and repairs. The service provider shall conduct an annual customer satisfaction survey and report results to the command. The service provider shall also conduct an annual vehicle condition assessment. Section V, below (Quality Control), identifies additional reporting requirements.

#### **IV. PERFORMANCE MEASURES**

##### *Availability of Vehicles*

The vehicle availability rate will be maintained at 82.5 percent. Available means that the vehicle is operable and available for customer use. Certain vehicles and equipment will take priority in workload scheduling. Such vehicles will be designated by NSA and include emergency vehicles, fire trucks, police vehicles, and cranes. The service provider shall ensure that 1,175 of 1,424 vehicles will be available for use at all times (82.5 percent of fleet).

##### *Customer Satisfaction*

The standard of performance for customer satisfaction depends on the baseline survey conducted by either the government, if the government wins the competition, or by the contractor if the contractor wins. In the first year of the performance period, the successful bidder shall maintain or improve the customer satisfaction levels over the baseline figures. In subsequent years, the successful offeror shall meet or exceed industry standards for customer satisfaction

##### *Condition of Vehicles*

Vehicles will be maintained in acceptable operating condition, normal fair wear and tear accepted. Fair wear and tear means the reasonable amount of deterioration that occurs during the normal use and operation of a particular vehicle. The service provider shall follow manufacturer's recommendation for scheduled maintenance.

#### **V. QUALITY CONTROL**

This section discusses those elements of performance that define the quality control process expected of the service provider.

##### *Availability of Vehicles*

- Report: The service provider shall report on the status of contract performance including information on vehicle availability. Daily reports will include maintenance

and repair information considered outside normal fair wear and tear.

- Quality Control/Quality Assurance: Validate report periodically.
  - Service provider QC: The service provider shall establish a procedure that, when followed, will produce the acceptable levels of availability (82.5% availability). The Service provider shall implement a procedure that provides for continual process improvement.
  - Government QA: The Quality Assurance Evaluator (QAE) shall conduct periodic reviews based on an acceptable level of quality and shall ensure that the service provider's system provides a service that meets the performance standards (82.5% availability).

### ***Customer satisfaction***

- Report: The service provider will provide customer satisfaction survey results including a baseline survey conducted immediately after award and annually thereafter.
- Quality Control/Quality Assurance: Validate report annually.
  - Service Provider QC: The service provider shall establish procedures for ensuring that customer satisfaction meets minimum contract requirements. The service provider shall conduct an annual survey and ensure that survey results are within the allowable margin of error (plus or minus 5 percent). (At or above baseline for first year and at or above industry standards thereafter.)
  - Government QA: The QAE shall conduct periodic reviews of the service provider's QC process and will review annual survey results. QAE will verify and accept the survey results.

### ***Condition of Vehicles***

- Report: Upon award of a contract, the service provider shall conduct a baseline assessment and report on the condition of all the vehicles in the fleet. Thereafter, the service provider shall provide an annual report of the condition of the vehicles in the fleet.
- Quality Control/Quality Assurance: Validate report annually.
  - Service Provider QC: The service provider shall establish procedures for assessing condition of vehicles in the fleet and perform an annual survey of the

condition of all vehicles.

- Government QA: The Quality Assurance Evaluator (QAE) will conduct periodic reviews of the service provider's QC process and will review and verify the annual condition reports.

### ***Qualification of Personnel***

The service provider shall demonstrate that personnel assigned to this project have the requisite knowledge and skills to meet the minimum performance standards. Evidence may include education, certification, training, and experience. At a minimum, the service provider's personnel must have standard industry certifications appropriate to the tasks required by this contract.

### **Attachment 1: Government Furnished Equipment**

TYPE	INVENTORY	AVG MILES/YEAR	AGGREGATE VEHICLE MILEAGE
Sedan	91	4,750	432,250
Sedan/Police	105	21,000	2,205,000
1/2 T p/u	644	6,100	3,928,400
3/4 T p/u	329	6,300	2,072,700
3/4 T p/u 4X4	40	9,350	374,000
2 T stake	176	4,500	792,000
1500g tanker	21	7,500	157,500
Wrecker	12	14,000	168,000
Fire truck	6	2,100	12,600
Total	1,424		10,142,450

## Attachment 2: Historical Workload Data

(Note: All data in this table is simulated)

Automobile and Truck Maintenance/Repair Function	Historical Number of Occurrences	
	1995	1996
Major Repair	552	450
Transient Equipment Repairs	252	348
General Repair		
- Repairs generated from PM inspections	3,600	3,552
- Repairs generated from PM maintenance	3,540	3,480
- Repairs generated from field service	390	372
- Repairs generated from service calls	114	132
- Repairs generated from new vehicle service	12	18
Accident Repair (including labor/materials)		
- Greater than \$5,000	12	6
- \$2001 - \$5,000	60	48
- \$500 - \$2,000	72	36
- Under \$500	18	24
Service Calls		
- During regular hours	1,200	1,170
- After regular hours	150	114
- Road service	210	192
- Tow truck service	114	96
New Vehicle Service	48	72
Specific Maint. & Repair Requirements		
- Body and fender repairs (including associated painting and marking)	186	144
- Corrosion prevention	372	354
- Battery maintenance	480	432
- Tire replacement	1,440	1,200
- Tire repairs	222	264
- Glass replacement	372	528
- Glass repairs	204	126
- Key services	198	144
- Transfer/installation of special equipment	72	42
- Painting and marking (not associated with body and fender work)	30	24
- Special inspections (tests and calibrations)	138	192

Weight Handling Equipment Three Bridge Cranes	Historical Number of Occurrences	
	1995	1996
Major Repair	12	7
Minor Repair	150	91
Preventive Maintenance	72	84
Scheduled Inspections and Tests	72	84

**Attachment 3: Government Furnished Equipment**

Type	Quantity	Average Age
Wrecker	12	5 yrs
Peerless Air Compressor	1	2 yrs
Hydraulic Lifts	4	5 yrs.
All Diagnostic Equipment	4	8 yrs

**Attachment 4: Sample Government Furnished Supplies List**

The government furnished supplies will be provided to the contractor on a one time basis. If the contractor wins the competition the government supplies listed below will be turned over to the contractor, however, the contractor will be required to replenish supplies. If the MEO wins the competition, the government will continue to purchase these supplies.

Materials	Stock Number	Units	Unit Price
Socket Wrenches	786xl	75	\$100.00
Clutch Assembly	818-0101-52	2	\$500.00
Brake Fluid (Gallon)	8989898	14	\$3.80
Rear Shock Absorber	92-88H	50	\$35.00
Joint, Front, Universal	3455	2	\$750.00

## **Attachment 5: Government Furnished Facilities**

NSA transportation works in a converted 1940s vintage warehouse that has been partitioned to provide 12 work bays, a parts area, a battery shop, tire mounting area, and office complex including a customer lounge and driver-ready room. The shops are equipped with hydraulic lifts, compressed air, and overhead lubrication services (in three bays). There is a paint booth that is presently being examined by the county air pollution district for compliance. The warehouse is located on the west side of the base and covers 5,000 square feet. The government will be responsible for the O&M costs for the warehouse should the contractor choose to use this facility.



<b>Simulated Quality Assurance Surveillance Plan (QASP)</b> <i>(provided for illustrative purposes only)</i>
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**I. PURPOSE**

Quality Assurance (QA) is a program undertaken by the Naval Support Activity to provide a level of assurance concerning the quality of Transportation Maintenance and Repair (TMR) services. Therefore, the Naval Support Activity must develop and implement a system that will ensure that the quantity and quality of the goods and services received comply with the requirements of the PWS, regardless of whether the provider is the government or a private contractor.

The purpose of the Quality Assurance Surveillance Plan (QASP) is to describe the methods used to measure performance and to identify the reports required and the resources to be employed. The QASP provides a means for evaluating whether the service provider is meeting the performance standards set out in the PWS. The results of the evaluation, reflected in the reports generated by implementing the QASP, become the basis for determining the service provider's compensation.

**II. METHODS**

The service provider is the owner of the quality control process and will institute procedures, that, if followed, will produce the desired outcomes. The service provider is responsible for developing, implementing, and modifying the quality control process to ensure that performance standards are met. The QAE will conduct an initial review of the service provider's quality control process to ensure its adequacy. Subsequent review of the quality control process will occur if the service provider does not meet performance standards.

Assessment of the service provider's performance will be based on vehicle availability levels, vehicle condition, and the level of customer satisfaction. The QAE will vary the level of surveillance depending on the service provider's conformance to quality levels. The QAE will use statistically valid samples to ensure that the service provider's process is accomplishing the desired performance standards of the contract.

The government recognizes that accepting a service provider's quality control process and relying on the service provider's procedure is a radical departure from traditional practice. The government's intention is to minimize the level of government involvement and allow the service provider to responsibly perform to, or exceed, the contract standards. The government's recent experience supports the notion that responsible service providers can produce at acceptable levels of quality without extensive surveillance. If the service provider's performance is not satisfactory, and it appears that the service provider's quality control process has not produced the desired result, the QAE has the option to increase quality assurance surveillance in order to protect the government's rights.

### III. ASSURANCE OF PERFORMANCE MEASURES

The QAE will ensure that the service provider is following the quality control process described in the service provider's proposal by spot checking vehicle availability, customer satisfaction, and vehicle condition. In performing these activities, the QAE may conclude that recurring problems are indicative of systemic weaknesses in the service provider's quality control process. If so, the government will direct the service provider to correct the deficiencies in the quality control process.

#### *Service Provider's Records*

The QAE will review the service provider's records to ensure that all the reporting requirements of the PWS are being met. The QAE will also spot check these records for accuracy and completeness. The QAE will verify that the customer satisfaction survey is conducted in accordance with statistically valid methods.

#### *Availability of Vehicles*

The QAE will conduct spot checks to confirm that actual vehicle availability is consistent with the service provider's reported availability levels. The QAE will confirm that vehicle availability is being maintained at or above 82.5 percent. If the reported level is different from the actual level and/or the level is below 82.5 percent, the service provider will be directed to take remedial action.

#### *Customer Satisfaction*

The QAE will conduct spot check reviews of customer complaints and will review the service provider's resolution of those complaints. The QAE may interview individual customers to determine if the service provider satisfactorily reconciled their complaints. The QAE will review the annual customer satisfaction survey with the successful offeror. At the beginning of the performance period, the QAE will verify that the survey was conducted properly and that the baseline of customer satisfaction data was properly developed. In each year of the performance period, the QAE will make sure that the customer satisfaction level is maintained at or above the baseline in the first year and at or above industry standards in subsequent years.

#### *Vehicle Condition*

The QAE will spot check vehicles to confirm that actual vehicle condition is consistent with the service provider's reported vehicle condition. The QAE will also spot check the service provider's records and fleet vehicles to ensure that the service provider is adhering to manufacturers' recommended maintenance schedules. If the reported vehicle condition is different from the actual vehicle condition, or if the scheduled maintenance has not been accomplished, the service provider will be directed to take remedial action.

It should be recognized that the focus is to shift the Quality Assurance thinking from individual inspections to determine at the outset if the service provider's process, if followed strictly, will produce a deliverable that meets the quality requirements of adhering to the performance specification. There must be a strict requirement that confidence in the service provider's system be based on reasonable assumptions and data, and that the burden is on the service provider to demonstrate that procedures are in place which, if followed, will indeed meet the acceptable level of quality.

If evidence exists at any time during the period of performance that the service provider's process fails to meet this strict test, or if the service provider fails to follow the system in place, the QAE will immediately increase the level of surveillance. As a result, it may be necessary to revert to individual product inspection, prior to acceptance of the service provider's work.

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